## Approved For Release 2000/08/04/- RDF 80R01443R000200180008-4 NSC BRIEFING 11 March 1954

SCELBA GOVERNMENT CONFIRMED IN ITALY

- I. Premier Scelba's coalition government confirmed by lower house on 10 March.
  - A. Vote of 300 to 283 follows similar confirmation by center parties in upper house last week.
- II. Government nevertheless in precarious situation because:
  - A. Narrow margin of victory means virtual confidence vote on every issue, necessity of paying attention to wishes of minor party supporters.
- III. For the present, government can be expected to:
  - A. Concentrate on financial problems, especially budget for fiscal 1955.

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- B. Postpone controversial EDC issue, possibly by burying in committee.
- C. Use unsettled Trieste issue as excuse for any delays cooperation with US.
- IV. This government greatest threat to Communists since 1949 because:
  - A. Scelba known anti-Fascist, can take strong steps against Communists, as did when interior minister in charge of police, hosing Communist demonstration with red fluid.
  - B. Democratic Socialists in key cabinet posts to undertake economic reforms.
  - C. Scelba's Christian Democrats have avoided alliance with Monarchists and consequent risk of Christian Democrat Party split.